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Financing of the United Nations Angola Verification Mission and the United Nations Observer Mission in Angola

Financing of the United Nations Observer Mission in Angola

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the financial performance of the United Nations Observer Mission in Angola (MONUA) for the period from 1 July 1998 to 30 June 1999 (A/54/809), the revised budget of the mission for the period from 1 July 1999 to 30 June 2000 and the cost estimates for the continuation of the liquidation activities at the United Nations Headquarters in New York thereafter (A/54/812). During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information.

A. Financial performance report for the period from 1 July 1998 to 30 June 1999

2. As indicated in paragraph 12 and annexes I and II to the report of the Secretary-General (A/54/809), total expenditures for the period from 1 July 1998 to 30 June 1999 amounted to $132,949,580 gross ($129,664,280 net), compared with the amount of appropriation of $133,099,080 gross ($128,876,680 net) for the same period. The resulting unspent balance amounts to $149,500 gross (-$787,600 net).

3. The Committee notes from paragraphs 8 to 11 and annex I to the same report that reduced expenditures under military observers, military contingents, civilian personnel, operational costs and other programmes, resulting from the downsizing of the Mission, were sufficient to offset additional requirements arising primarily from contingent-owned equipment and air and surface freight.

4. The Committee was informed that, as at 29 February 2000, the amount of $30.8 million was reimbursed for troop costs for the period from 1 July 1997 to 31 August 1999 and the amount owed for the period from 1 September 1999 to 31 March 2000 was $163,800.

5. With regard to reimbursement for contingent-owned equipment, the Committee was informed that, as at 29 February 2000, the amount was $15.2 million, the estimated amount owed was $87.7 million and unliquidated obligations for contingent-owned equipment amounted to $76.6 million. As regards death and disability claims, as at 29 February 2000, 63 claims, totalling $1.6 million, had been paid,

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unliquidated claims amounted to $1.6 million and 30 claims were pending.

6. The Committee was informed that, as at 27 March 2000, the cash position amounted to $85.2 million. Assessments for the period from 3 January 1989 to 30 June 2000 amounted to $1,222.1 million as at 15 March 2000, payments received totalled $1,131.4 million and the amount outstanding was $90.7 million. Total unliquidated obligations for the period from 1 July 1998 to 30 June 1999 were $42.5 million as at 13 March 2000.

7. Upon enquiry, the Committee was informed that as at 27 March 2000, the Mission's total liabilities recorded in unliquidated obligations and accounts payable from inception was $100.2 million.

8. The action to be taken by the General Assembly at its fifty-fourth session in connection with the financing of MONUA is set out in paragraph 15 of the report (A/54/809). **The Committee recommends that the General Assembly take note of the unencumbered balance of $149,500 gross and additional requirements of $787,600 net for MONUA for the period from 1 July 1998 to 30 June 1999 and that it defer action thereon until the review of the final performance information of UNAVEM and MONUA.**

B. Revised budget for the period from 1 July 1999 to 30 June 2000 and the cost estimates for the continuation of the liquidation activities at United Nations Headquarters thereafter

9. As indicated in paragraphs 1 and 4 and table 1 of the report of the Secretary-General contained in document A/54/812, the revised liquidation budget for MONUA for the period from 1 July 1999 to 30 June 2000 amounts to $15,049,440 gross ($14,306,540 net), representing an increase of 51 per cent ($7,607,900) gross, when compared with the original budget for the same period and reflects the absorption of the commitment authority of $5,274,800 gross ($4,875,100 net) granted by the Advisory Committee (see para. 11 below).

10. By its resolution 53/228 of 8 June 1999, the General Assembly appropriated an amount of $7,441,540 gross ($7,083,840 net) for the liquidation of MONUA, inclusive of the amount of $369,153 for the support account for peacekeeping operations and $72,387 for the United Nations Logistics Base at Brindisi.

11. By its letter of 10 December 1999, the Advisory Committee concurred with the request of the Secretary-General to enter into commitments in an amount not exceeding $5,274,800 gross ($4,875,100 net) in order to meet the additional cost of the liquidation of MONUA (see annex).

12. The Committee notes from paragraph 1 and annex I to the report that projected requirements for the continuation of liquidation activities at United Nations Headquarters for the period from 1 July 2000 to 30 June 2001 are estimated at $143,500 gross ($130,500 net). These resources are for staff for eight work-months at Headquarters (A/54/812, para. 10).

13. The action to be taken by the General Assembly at its fifth-fourth session in connection with the financing of MONUA are set out in paragraph 11 of the report. **The Committee recommends that the General Assembly appropriate and assess additional amount of $7,607,900 gross ($7,222,700 net) for the Mission for the 12-month period from 1 July 1999 to 30 June 2000, inclusive of the commitment authority of $5,274,800 gross ($4,875,100 net) granted by the Advisory Committee. The Committee also recommends that the General Assembly appropriate the amount of $143,500 gross ($130,500 net) for the period from 1 July 2000 to 30 June 2001. In view of the financial data contained in paragraphs 6 and 7 above, the Committee is of the opinion that an assessment in this case is not necessary at this stage.**

Annex

Letter dated 10 December 1999 from the Chairman of the Advisory Committee on Administrative and Budgetary Questions addressed to the Secretary-General

The Advisory Committee on Administrative and Budgetary Questions has considered the Controller's letter of 7 December 1999, requesting the concurrence of the Committee to enter into commitments in an amount not exceeding $5,274,800 gross ($4,875,100 net) in connection with the cost of the liquidation of MONUA. This request is made pursuant to section IV of General Assembly resolution 49/233 of 23 December 1994 on the financing of United Nations peacekeeping operations.

By its resolution 53/228 of 8 June 1999, the General Assembly appropriated an amount of $7,441,540 gross ($7,083,840 net) for the liquidation of MONUA, inclusive of the amount of $369,153 for the support account and $72,387 for the United Nations Logistics Base at Brindisi.

By its resolution 1268 (1999) of 15 October 1999, the Security Council authorized the establishment, for an initial period of six months until 15 April 2000, of the United Nations Office in Angola (UNOA) staffed with the personnel necessary to liaise with the political, military, police and other civilian authorities, with a view to exploring effective measures for restoring peace, assisting the Angolan people in the area of capacity-building, humanitarian assistance, the promotion of human rights, and coordinating other activities.

The Council also decided that, pending further consultations between the United Nations and the Government of Angola, UNOA will consist of up to 30 substantive professional staff, as well as the necessary administrative and other support personnel.

The Advisory Committee notes from the letter that, pending the conclusion of consultations with the Government of Angola and until the subsequent establishment by the Security Council in its resolution 1268 (1999) of 15 October 1999 of UNOA, the MONUA substantive personnel required to maintain liaison with the political, military, police and other civilian authorities of Angola, as well as its human rights component, were retained in the country as part of the Observer Mission's staffing establishment.

The Advisory Committee also notes from the letter that administrative and technical personnel were required to continue beyond the originally projected deadlines in order to enter into and continue protracted negotiations with the Government of Angola regarding the disposition of the substantial amount of assets valued at $38.1 million remaining in the country after the transfer of equipment to other peacekeeping operations and to the United Nations Logistics Base at Brindisi.

The Advisory Committee notes further from the letter that the revised estimated requirements of MONUA for the period from 1 July 1999 to 30 June 2000 amount to $12,274,800 gross ($11,517,400 net), representing an increase of $5,274,800 gross ($4,875,100 net) over the approved MONUA budget for the same period. The increase is principally attributable to the retention of military and civilian personnel in the mission area until 30 November 1999 and 29 February 2000, respectively, and the related additional operational requirements.

The Advisory Committee was informed by your representatives that, while the amount available in cash was $80.2 million as at 6 December 1999, outstanding assessed contributions amounted to $101,436,438 as at 30 November 1999. The Committee was further informed that unliquidated obligations for the current period as at 30 November 1999 amounted to $1.3 million and reimbursement of troop costs had been made through 30 April 1999 and an estimated amount of $1,029,481 remains outstanding.

With regard to vacancies, the Advisory Committee was informed that, as at 1 November 1999, 44 international and 27 local staff were on board, while 44 international and 20 local staff posts were filled as at 1 December 1999.

Under the circumstances, pursuant to section IV of General Assembly resolution 49/233 A of 23 December 1994, the Advisory Committee concurs in your request to enter into commitments in an amount not exceeding $5,274,800 gross ($4,875,100 net) in order to meet the estimated additional cost of the liquidation of MONUA. The Committee notes from the letter that these additional resource requirements will be incorporated into the Mission's revised budget for the current 1999/00 financial period to be submitted to the Advisory Committee and the General Assembly during its resumed fifty-fourth session.

Yours sincerely,

(*Signed*) C. S. M. **Mselle**
Chairman